APPENDIX I.

[Vide item III at page 212 supra.]

Statement showing the provision included in the Budget for 1948–9 for grants and other payments to local bodies.

(*See* paragraph 60.)

	Budget Estimate, 1948–9.
	RS.
VII. Land Revenue—	
Payments to local bodies of land and other cesses collected on their behalf	2,04,51,000
IX. Stamps—	
Payment of the net proceeds of the surcharge on stamp duty in respect of transactions relating to immovable properties .. ‡	1,26,75,000
7. Land Revenue—	
Payment of fishery rentals collected on behalf of local bodies ..	2,60,000
8. Provincial Excise—	
Compensation to the Madras Corporation for loss of tax on places used for sale of liquor	13,600
12. Charges on account of Motor Vehicles Acts—	
Compensation—	
For loss of income from fees for licences granted to motor vehicles	21,91,400
For loss of income from tolls and taxation of motor vehicles ..	73,60,000
13. Other Taxes and Duties—	
Payment of the net proceeds of the Entertainments Tax ..	82,23,800
27. Administration of Justice—	
Compensation to local bodies and others * in lieu of magisterial fines	6,90,900
37. Education—	
Grants for—	
Secondary Education	14,02,800
Primary Education	1,83,42,600
Public libraries .. .. †	2,00,000
Revision of the rates of dearness allowance for teachers in Elementary Schools	16,00,000
Loss of income under Education Tax levied as surcharge on Profession Tax	1,44,000
38. Medical—	
Maintenance, Buildings and Equipment Grants for Hospitals and Dispensaries	2,35,500

* *Compensation to local bodies and others in lieu of magisterial fines :*

Compensation is paid to forest panchayats, branches of the S.P.C.A., etc., besides local bodies. The payment to local bodies alone is not shown in the budget separately.

† *Grants for public libraries :*

This includes grants to some private associations which are not shown separately in the budget. The provision for panchayats alone is Rs. 1,16,000.

‡ Part of this payment is taken in reduction of stamp receipts and part is treated as 'Refunds'. Details are not given in the Budget.

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Statement showing the provision included in the Budget for 1948–9 *for grants and other payments to local bodies*—cont.

	Budget Estimate, 1948–9.
	RS.
39. *Public Health*—	
Grants for water-supply and drainage schemes (*See* also under 50. Civil Works—below.)	11,63,900
Grants for miscellaneous public health purposes	2,98,900
41. *Veterinary*—	
Grants for the purchase and maintenance of bulls	10,000
Grants for the opening of three Veterinary dispensaries in Madras City	3,300
43. *Industries*—	
Compensation for loss of fishery rentals	52,000
50. *Civil Works*—	
Grants for trunk roads (maintenance)	20,000
Miscellaneous grants for road maintenance	26,800
Grants for roads and bridges (other than village communications).	35,56,500
Grants for village communications	4,50,000
Grants for water-supply and drainage schemes executed by the Public Works Department	15,98,700
Grants from Central Road Fund Account	2,09,700
57. *Miscellaneous*—	
Contributions in aid of general balances	10,81,700
Fourth and the *last instalment* of arrears of toll compensation for loss of income from tolls during the years 1931–2 to 1940–1	73,96,000
Contribution for loss of income from profession tax	10,53,000
Grants for revision of the rates of dearness allowance of employee (other than Elementary School teachers)	15,00,000
Total payments	9,22,11,100
Loans and Advances—	
For water-supply and drainage schemes and other public health purposes	45,84,000
For construction of roads, bridges, etc.	15,73,100
To cover deficits	4,00,000
Total Loans and Advances	65,57,100
Grand total	9,87,68,200

Explanatory remarks for important grants.

Educational Grants—(a) Teaching Grants.

The grants for elementary education include (i) the contribution in respect of Education Tax based on the average rates of Education Tax, namely, 1½ per cent of property rentals in municipal areas and 3½ pies in the rupee of Land Revenue in rural areas, (ii) subsidies for compulsory elementary education to cover all expenditure connected with the expansion scheme and (iii) subsidies towards the expenditure on dearness allowance to teachers determined with reference to the actual deficit in the Elementary Education Fund Account and not exceeding the actual expenditure on dearness allowance.

The grants for secondary education are based on half the net cost with effect from 1st January 1947. Prior to that date, the grants were fixed payments.

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(b) Building Grants.

Generally, these are restricted to one-half of the estimated expenditure. In the case of secondary schools, a grant equal to one-half of the cost of construction of buildings is now given for those institutions opened prior to 1930 only. The grant is also restricted to building schemes for secondary schools for girls and for the provision of playgrounds for all schools. That is, except in very special and exceptional cases, no building grants are now given in the case of buildings for secondary schools for boys.

Medical Grants.

Maintenance grants are now given only to certain old institutions opened prior to March 1915. Building and equipment grants are given to the extent of one-half of the total cost in the case of approved schemes.

Public Health Grants— (a) Water-supply and Drainage Schemes.

Half grants have usually been given except in the case of rural water-supply schemes where the Government meet the entire initial cost.

(b) Maternity and Child Welfare.

Grants are given at present to cover one-half of the expenditure on the construction of buildings for maternity and child-welfare centres according to approved type-designs. Maintenance grants are also given equal to one-fourth or half the expenditure according to the financial condition of the local body concerned.

(c) Anti-malarial operations.

One-third grants only are given in respect of anti-malarial operations.

Grants for Roads, Bridges, etc.

Although the Government have taken over the main roads, they are giving non-recurring grants for capital works on the roads left with district boards (including village communications) on the merits of each case. They are generally half grants. The half grant principle is applied also to the provision of dustless surfaces for roads in built-up areas, and to road works of district boards included in the Post-war Road Development Programme, including village communications.

Fixed annual grants are made to a few local bodies for the maintenance of certain roads.

APPENDIX II.

[Vide item III, at pages 213 and 214 supra.]

Statement showing the provision separately included in the Budget for 1948–9 for the Agency Tracts (Partially Excluded Areas).

(*See* paragraph 61.)

Head of account.	*Budget Estimate, 1948–9.* Standing sanctions.	New schemes.	Total.
	RS.	RS.	RS.
8. Provincial Excise	83,800	..	83,800
9. Stamps	1,600	..	1,600
10. Forest	3,11,300	..	3,11,300
11. Registration	7,500	..	7,500
18. Irrigation	29,700	..	29,700
25. General Administration	3,96,300	..	3,96,300
29. Police	3,61,800	..	3,61,800
37. Education	5,09,000	21,000	5,30,000
38. Medical	1,65,100	9,200	1,74,300
39. Public Health	3,77,100	22,500	3,99,600
40. Agriculture	2,23,100	11,900	2,35,000
41. Veterinary	25,100	..	25,100
42. Co-operation	8,600	2,200	10,800
50. Civil Works	14,44,300	70,000	15,14,300
57. Miscellaneous—Contribution to the Posts and Telegraphs Department for the maintenance of unremunerative Posts and Telegraph offices.	20,900	..	20,900
Total ..	39,65,200	1,36,800	41,02,000